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FM AMEMBASSY KINGSTON
TO RUEHC/SECSTATE WASHDC PRIORITY 6353
INFO RUEATRS/DEPT OF TREASURY WASHDC
RUEHDG/AMEMBASSY SANTO DOMINGO 5941

UNCLAS KINGSTON 000450

SENSITIVE
SIPDIS

C O R R E C T E D C O P Y - SANTO DOMINGO ADDED

DEPARTMENT PASS EC CARICOM COLLECTIVE FOR INFO
STATE FOR WHA/CAR (JTILGHMAN) (VDEPIRRO)
STATE FOR EEB/TPP/ABT/ATP (JANET SPECK)
USDA/FAS FOR (CLAY HAMILTON) (JAMES T. DAVIS)
USDA/FAS FOR FAA AREA OFFICER (JBAILEY)

SANTO DOMINGO FOR FCS AND FAS
TREASURY FOR SARA GRAY

E.O. 12958: N/A

TAGS: [EAGR](#) [SENV](#) [ECON](#) [ETRD](#) [SOCI](#) [PREL](#) [EAID](#) [ENRG](#) [JM](#)
SUBJECT: JAMAICA: AGRICULTURE MINISTER ADDRESSES FOOD SECURITY AND
U.S. PORK IMPORTS

REF: A. 07 KINGSTON 1684

[¶B.](#) KINGSTON 366
[¶C.](#) KINGSTON 354
[¶D.](#) KINGSTON 111

SUMMARY

[¶1.](#) (SBU) Ambassador met with Minister of Agriculture Dr. Christopher Tufton on May 19 to discuss Jamaica's continuing priorities in light of the current food security issues and to advocate measures to liberalize pork trade with the United States. Tufton said he would consider sending two veterinary officials to visit a U.S. pork process plant to assess the production, surveillance and veterinary certification process; a step required to eventually reopen the Jamaican market to U.S. pork products. Tufton said his three priorities were to:

- a) boost local agriculture production levels in the short-term;
- b) build capacity on the island by upgrading the Bodles Agriculture Research facility and;
- c) modernize his Ministry to be able to more effectively help end users in the agriculture sector.

Tufton expressed concern that high oil prices have hurt Jamaica's agriculture industry, raising transportation costs and making agriculture inputs such as fertilizer more expensive. End Summary

Expanding Local Production

[¶2.](#) (SBU) Tufton said the banana and coffee sector is starting to "bounce back" from the damage caused by Hurricane Dean in 2007. He said the Government of Jamaica (GOJ) is working with the World Bank to conduct a study on a "pyramid style insurance model" that would deal with risk of hurricanes and other natural disasters. He said he hopes this project eventually will be funded by the Inter-American Development Bank (IDB). He emphasized that his short-term focus will be on boosting local production levels, including short-term incentives for production of alternative starches, in response to the current food crises in Jamaica. He is working with Jamaica Broilers and Mussons (Jamaica's largest rice importer) to invest in more rice production. Tufton said Jamaica consumes 100,000 tons of rice per year, and he wants to be able to supply 20-25 percent of local consumption.

U.S. Pork Imports

13. (SBU) Regional U.S. agriculture attach Jamie Rothschild raised the issue of reopening the Jamaican market to U.S. pork products. COMMENT: The USG through the Foreign Agriculture Service (FAS) has been trying to open the Jamaican market to U.S. pork products for the past few years. The initial ban was related to pseudorabies/Ajueszky's (AD) disease in the U.S., which was eradicated in commercial herds in late 2004. Pork products are allowed in from Canada, the USG would like to give U.S. pork producers the same market opportunity and level the playing field for North American pork products (See SEPTEL from FAS Santo Domingo). It appears the next step is for Tufton to authorize two Jamaican veterinary officials to visit a U.S. pork processing operation to assess production, surveillance, monitoring, and the veterinary certification process. FAS has offered to pay the travel costs for the two veterinary officials to the U.S. Rothschild pointed out to Tufton that many of the cuts of meat that were needed in Jamaica's hotels could be sourced from the U.S. market. Tufton said he would look at the idea of sending the two veterinary officials to the U.S. Once the veterinary officials provide their findings to the Ministry of Agriculture Post will update accordingly.

Sensitive to Local Capacity to Compete

14. (SBU) In light of opening itself to more liberalized trade, Tufton said his country faces the challenge of whether the local producers have the capacity to compete: "we have to be sensitive to the realities." He explained, "the Jamaican dairy sector liberalized years ago and 500 farmers were wiped out." He said Jamaicans bought milk from the European Union (EU), but now as demand and prices have climbed Jamaica is experiencing milk shortages and has lost most of its local suppliers. Tufton lamented, "we are now trying to rebuild our local dairy sector." Tufton added that "the GOJ has to be sharp

on its approach to policy--so our policy has to look inward, to give our own farmers a level playing field." Tufton compared his situation to the U.S., which is focusing on corn-based ethanol production. Tufton added, "the U.S. has security reasons for not wanting to rely on foreign oil, that is why they are focusing on using corn based ethanol, this is the U.S. protecting its own internal interests and is understandable." But, the decision can create impacts in other countries such as higher costs for feed corn," he added.

Oil and Fertilizer

15. (SBU) Tufton complained that rising oil prices continue to raise costs of agriculture production. He said the price of inputs such as fertilizer had climbed, making it more difficult to increase production. The GOJ had been providing a subsidy on fertilizer, but this had ended; it now sought reduced prices of fertilizer from Venezuela. He said many of the small farmers use potash, and he is hoping to secure some assistance from Canada for this. According to Tufton, Canada has offered USD 5 million in agriculture assistance, some of these funds will be used to help fisheries and to address issues such as over fishing and dynamite fishing.

Greenhouses Remain A Focus

16. (SBU) Tufton reiterated his desire to build greenhouse "clusters" co-located with agribusiness packaging and marketing facilities to transform the agriculture sector and to supply the local tourist hotels. He said greenhouses are good for five or six key crops like tomatoes, but other traditional crops such as yams, watermelons, and cantaloupes do not need greenhouses. Tufton said he still wants to use his concept of clusters to help farmers find a market for these traditional crops. He said his first greenhouse cluster will be managed by agri-business firm GraceKennedy in the parish of St. Catherine. He said that Grace Kennedy also is providing the services of a marketing person to assist the Ministry in agriculture marketing. Tufton also said he has contracted to have a U.S. agriculture marketing expert come to Jamaica in June to work in his Ministry for the next year. COMMENT: A representative from the

Spanish Embassy told Econoff that Spain is providing USD 7.8 million to help implement the greenhouses, but the project is moving slowly because of political wrangling over where the greenhouses would be located on the island. End Comment.

JOHNSON